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# HOUSE BILL No. 1847

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 12-15-11.5.

**Synopsis:** Medicaid payments to certain hospitals. Requires the office of Medicaid policy and planning to determine the average of: (1) the rates paid for medical services provided by a hospital under the office's fee for service program; and (2) the highest rates paid for the same types of services by the office's managed care contractor to a hospital with which the managed care contractor has a contract. Requires that a Lake County disproportionate share hospital be reimbursed by the office's managed care contractor for services provided to certain Medicaid recipients at the average rates determined by the office.

**Effective:** January 1, 2001 (retroactive).

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January 17, 2001, read first time and referred to Committee on Ways and Means.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## HOUSE BILL No. 1847

A BILL FOR AN ACT to amend the Indiana Code concerning Medicaid.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 12-15-11.5-1, AS ADDED BY P.L.142-2000,  
2       SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JANUARY 1, 2001 (RETROACTIVE)]: Sec. 1. **(a) Except as**  
4       **provided in subsection (b)**, as used in this chapter, "hospital" refers to  
5       an acute care hospital provider that:

6               (1) is licensed under IC 16-21;

7               (2) qualifies as a disproportionate share hospital under  
8               IC 12-15-16; and

9               (3) is the sole disproportionate share hospital in a city located in  
10              a county having a population of more than four hundred thousand  
11              (400,000) but less than seven hundred thousand (700,000).

12       **(b) As used in section 4.1(a) of this chapter, "hospital" refers to**  
13       **a hospital licensed under IC 16-21.**

14       SECTION 2. IC 12-15-11.5-4.1 IS ADDED TO THE INDIANA  
15       CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
16       [EFFECTIVE JANUARY 1, 2001 (RETROACTIVE)]: **Sec. 4.1. (a)**  
17       **The office shall determine the average of:**



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(1) the rates paid by the office for hospital services not provided under the office's capitated prepayment managed care system; and

(2) the highest rates paid for the same types of hospital services by the office's managed care contractor to a hospital with which the managed care contractor has a contract.

(b) A hospital that:

(1) does not have a contract with the office's managed care contractor; and

(2) provides medical services to individuals who:

(A) are eligible to receive services under IC 12-15 and have enrolled in the office's capitated prepayment managed care system;

(B) reside in the same city in which the hospital is located; and

(C) have selected a primary care provider who:

(i) is a contracted provider with the office's managed care contractor; and

(ii) has medical staff privileges at the hospital;

shall be reimbursed by the office's managed care contractor for services provided to individuals described in this subsection at the average rates determined by the office under subsection (a).

SECTION 3. An emergency is declared for this act.

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